

HOUSING AUTHORITY OF THE CITY OF  
MORGAN CITY, LOUISIANA

REPORT ON EXAMINATION  
OF  
FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

YEAR ENDED SEPTEMBER 30, 2021

HOUSING AUTHORITY OF THE CITY OF  
MORGAN CITY, LOUISIANA

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Reports	1 - 6
Management's Discussion and Analysis (MD&A)	7 - 15
FINANCIAL STATEMENTS:	
Statement of Net Position	16 - 17
Statement of Revenues, Expenses and Changes in Net Position	18
Statement of Cash Flows	19
Notes to Financial Statements	20 - 26
SUPPLEMENTARY DATA:	
Schedule of Expenditures of Federal Awards	27
Financial Data Schedule	28 - 34
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	35 - 36
<u>OTHER SUPPLEMENTARY DATA:</u>	
Schedule of Compensation, Benefits and Other Payments to the Executive Director	37

## INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
Housing Authority of the City of Morgan City  
Morgan City, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Housing Authority of the City of Morgan City, Louisiana as of and for the year ended September 30, 2021, and the related notes to the financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of September 30, 2021, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter – Prior Period Adjustments**

As discussed in Note N to the financial statements, the Authority restated its beginning accounts payable, contingent liability and net position balances. Our opinion is not modified with respect to this matter.

**Other Matters**

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 7 through 15 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

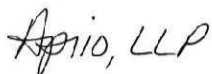
**Other Information**

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. Supplementary data is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying Financial Data Schedule is presented for the Department of Housing and Urban Development's information and is not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. Additionally, the accompanying Schedule of Compensation, Benefits and Other Payments to the Executive Director is presented for the Office of the Louisiana Legislative Auditor's information and is not a required part of the basic financial statements.

The Financial Data Schedule, the Schedule of Expenditures of Federal Awards and other supplementary data are the responsibility of management and were derived from and relate directly to the underlying accounting data and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting data and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated May 6, 2022, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



Birmingham, Alabama  
May 6, 2022

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners  
Housing Authority of the City of Morgan City  
Morgan City, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Authority, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated May 6, 2022.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a *material weakness*, yet important enough to merit attention by those charged with governance.

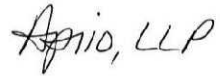
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be *material weaknesses* or *significant deficiencies*. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be *material weaknesses*. However, *material weakness* may exist that have not been identified

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Handwritten signature of Aprio, LLP in black ink.

Birmingham, Alabama  
May 6, 2022

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Commissioners  
Housing Authority of the City of Morgan City  
Morgan City, Louisiana

### Report on Compliance for the Major Federal Program

We have audited the Authority's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Authority's major federal program for the year ended September 30, 2021. The Authority's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

### Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

### Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Authority's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the *Uniform Guidance* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of Authority's compliance.

### Opinion on the Major Program

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2021.

### Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a *material weakness* in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be *material weaknesses* or *significant deficiencies*. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*. However, *material weaknesses* may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of our testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Aprio, LLP*

Birmingham, Alabama  
May 6, 2022



**HOUSING AUTHORITY OF THE CITY OF MORGAN CITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

The Housing Authority of the City of Morgan City's ("the Authority") Management's Discussion and Analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position (its ability to address the next and subsequent year challenges), and (d) identify individual program issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statements.

***Financial Highlights***

- The Authority's net position increased \$.3 million during 2021. Net Position was \$3.1 million and \$3.4 million for 2020 and 2021, respectively.
  
- Revenues decreased \$.2 million during 2021, and were \$2.9 million and \$2.7 million for 2020 and 2021, respectively.
  
- Expenses remained stable during 2021 at \$2.5 million.

*USING THIS ANNUAL REPORT*

The Report includes three major sections, the "Management's Discussion and Analysis (MD&A)", "Basic Financial Statements", and "Other Required Supplementary Information":

***MD&A***

*~ MANAGEMENT DISCUSSION  
AND ANALYSIS ~*

***BASIC FINANCIAL STATEMENTS***

*~ AUTHORITY-WIDE FINANCIAL STATEMENTS ~  
~ NOTES TO FINANCIAL STATEMENTS ~*

***OTHER REQUIRED SUPPLEMENTARY INFORMATION***

*~ REQUIRED SUPPLEMENTARY INFORMATION ~  
(OTHER THAN MD&A)*

## Authority-Wide Financial Statements

### **Statement of Net Position**

These Statements include a Statement of Net Position, which is similar to a Balance Sheet. The Statement of Net Position reports all financial and capital resources for the Authority. The statement is presented in the format in which assets and deferred outflows of resources, equal liabilities, deferred inflows of resources and “Net Position”, formerly known as net assets. Assets and liabilities are presented in order of liquidity and are classified as “Current” (convertible into cash within one year), and “Non-current”.

The focus of the Statement of Net Position (the “Unrestricted Net Position”) is designed to represent the net available liquid (non-capital) assets and deferred outflows of resources, net of liabilities and deferred inflows of resources, for the entire Authority. Net Position (formerly net assets) is reported in three broad categories:

Net Investment in Capital Assets: This component of Net Position consists of all Capital Assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position: This component of Net Position consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted Net Position: Consists of Net Position that does not meet the definition of “Net Investment in Capital Assets”, or “Restricted Net Position.”

### **Statement of Revenues, Expenses, and Changes in Net Position**

The Authority-wide financial statements also include a Statement of Revenues, Expenses and Changes in Net Position (similar to an Income Statement). This Statement includes operating revenues, such as rental income, operating expenses, such as administrative, utilities, maintenance, and depreciation, and non-operating revenue and expenses, such as capital grant revenue, investment income and interest expense.

The focus of the Statement of Revenues, Expenses and Changes in Net Position is the “Change in Net Position”, which is similar to Net Income or Loss.

### **Statement of Cash Flows**

Finally, a Statement of Cash Flows is included, which discloses net cash provided by, or used for operating activities, non-capital financing activities, investing activities and from capital and related financing activities.

## THE AUTHORITY'S MAIN PROGRAMS

Significant Programs – The focus of the Authority's Financial Statements should be on the significant programs of the Authority. The following are considered significant programs of the Authority.

Conventional Public Housing – Under the Conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy and Capital Grant funding to enable the PHA to offer housing at a rent that is based upon 30% of household income. The Conventional Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical and management improvements to the Authority's properties.

Housing Choice Voucher Program – Under the Housing Choice Voucher Program, the Authority administers contracts with independent landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions Funding to enable the Authority to structure a lease that sets the participants' rent at 30% of household income.

Other Program – In addition to the significant programs above, the Authority also maintains the following program:

- Public Housing CARES Act Funding Program

## AUTHORITY-WIDE STATEMENTS

### Condensed Statement of Net Position

The following table reflects the Condensed Statement of Net Position compared to the prior year.

**TABLE 1**  
**CONDENSED STATEMENT OF NET POSITION**

	<b>2021</b>	<b>2020</b>	<b>Variance</b>
Assets and Deferred Outflows of Resources:			
Current and Restricted Assets	\$ 1,296,489	\$ 955,038	\$ 341,451
Capital Assets	2,478,000	2,440,884	37,116
Deferred Outflows of Resources	-	-	-
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 3,774,489</b>	<b>\$ 3,395,922</b>	<b>\$ 378,567</b>
Liabilities and Deferred Inflows of Resources:			
Current Liabilities	\$ 323,115	\$ 238,928	\$ 84,187
Non-Current Liability	55,651	53,771	1,880
Deferred Inflows of Resources	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>\$ 378,766</b>	<b>\$ 292,699</b>	<b>\$ 86,067</b>
Net Position:			
Net Investment in Capital Assets	\$ 2,478,000	\$ 2,440,884	\$ 37,116
Restricted Net Position	589	63,241	(62,652)
Unrestricted Net Position	917,134	599,098	318,036
<b>Total Net Position</b>	<b>\$ 3,395,723</b>	<b>\$ 3,103,223</b>	<b>\$ 292,500</b>

### Major Factors Affecting the Condensed Statement of Net Position

During 2021, current and restricted assets increased due mainly to an increase of cash from operating activities. See the Statement of Cash Flows for additional detail regarding cash inflows and outflows. Current liabilities increased due primarily to an increase of accounts payable due to Morgan City. Restricted net position decreased due to reductions of funds held and restricted for housing assistance payments and other restrictions.

Table 2 presents details on the change in Unrestricted Net Position

**TABLE 2**

**CHANGE IN UNRESTRICTED NET POSITION**

Unrestricted Net Position, October 1, 2020	\$ 599,098
Results of Operations	(45,939)
Capital Expenditures from Operating Reserves	(36,479)
Interest Income	887
Housing Assistance Payments Funded from Restricted Reserves	4,142
Transfer from Restricted Net Position	58,510
Depreciation Expense	<u>336,915</u>
<b>Unrestricted Net Position, September 30, 2021</b>	<b><u><u>\$ 917,134</u></u></b>

While the results of operations are a significant measure of the Authority's activities, the analysis of the changes in Unrestricted Net Position provides a clearer understanding of the change in financial well-being.

**TABLE 3**

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

The following Schedule compares the revenues and expenses for the current and previous fiscal years.

	<u>2021</u>	<u>2020</u>	<u>Variance</u>
Revenues:			
Tenant Rental and Other Revenue	\$ 1,001,034	\$ 965,354	\$ 35,680
Operating Grants	1,376,051	1,206,553	169,498
Capital Grants	337,919	674,278	(336,359)
Interest Income	887	631	256
Other Revenue	25,295	30,887	(5,592)
<b>Total Revenues</b>	<b><u>\$ 2,741,186</u></b>	<b><u>\$ 2,877,703</u></b>	<b><u>\$ (136,517)</u></b>
Expenses:			
Administrative Expenses	\$ 298,382	\$ 285,689	\$ 12,693
Tenant Services	-	599	(599)
Utilities	484,412	518,613	(34,201)
Maintenance and Operations	504,745	467,078	37,667
General Expense	528,681	519,060	9,621
Depreciation	336,915	413,878	(76,963)
Loss on the Disposition of Capital Assets	367	-	367
Housing Assistance Payments	295,184	287,444	7,740
<b>Total Expenses</b>	<b><u>\$ 2,448,686</u></b>	<b><u>\$ 2,492,361</u></b>	<b><u>\$ (43,675)</u></b>
<b>Excess (Deficiency) of Revenues Over Expenses</b>	<b><u>\$ 292,500</u></b>	<b><u>\$ 385,342</u></b>	<b><u>\$ (92,842)</u></b>

**Major Factors Affecting the Schedule of Revenue, Expenses and Changes in Net Position**

Tenant revenues increased due primarily to an increase of leasing. Operating grants increased due to an increase of subsidies recognized under the Public Housing Program. Capital grants decreased due to a reduction of modernization and improvement activity on the dwelling properties.

Utility expenses decreased due to a reduction of electricity costs incurred. Maintenance expenses increased due mainly to an increase of materials and supplies purchases. Depreciation expense decreased due to assets reaching their estimated useful lives during the current and prior fiscal years.

## Capital Assets

As of year-end, the Authority had \$2.5 million invested in a variety of capital assets as reflected in the following schedule. For additional detail see the Notes to the Financial Statements.

**TABLE 4  
CAPITAL ASSETS AT YEAR-END  
(NET OF DEPRECIATION)**

	<u>2021</u>	<u>2020</u>	<u>Variance</u>	<u>% Change</u>
Land	\$ 397,429	\$ 397,429	\$ -	0%
Buildings and Improvements	16,054,108	16,054,108	-	0%
Furniture and Equipment	462,269	438,364	23,905	5%
Construction in Process	337,919	-	337,919	
Accumulated Depreciation	<u>(14,773,725)</u>	<u>(14,449,017)</u>	<u>(324,708)</u>	<u>2%</u>
<b>Net Capital Assets</b>	<b><u>\$ 2,478,000</u></b>	<b><u>\$ 2,440,884</u></b>	<b><u>\$ 37,116</u></b>	<b><u>2%</u></b>

**TABLE 5  
CHANGE IN CAPITAL ASSETS**

The following reconciliation summarizes the change in Capital Assets.

<b>Beginning Balance, October 1, 2020</b>	<b>\$ 2,440,884</b>
Additions:	
CFP Funded Public Housing Improvements	337,919
Equipment Purchases	36,479
Disposals, Net	(367)
Depreciation Expense	<u>(336,915)</u>
<b>Ending Balance, September 30, 2021</b>	<b><u>\$ 2,478,000</u></b>



## **ECONOMIC FACTORS**

Significant economic factors affecting the Authority are as follows:

- Federal funding provided by Congress to the Department of Housing and Urban Development
- Local labor supply and demand, which can affect salary and wage rates
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income
- Inflationary pressure on utility rates, supplies and other costs

## **FINANCIAL CONTACT**

The individual to be contacted regarding this report is the Executive Director. Specific requests may be submitted to the Housing Authority of the City of Morgan City, 336 Wren Street, Morgan City, Louisiana 70380.

HOUSING AUTHORITY OF THE CITY OF MORGAN CITY  
 STATEMENT OF NET POSITION  
 SEPTEMBER 30, 2021

ASSETS AND DEFERRED  
OUTFLOWS OF RESOURCES

	<b>Enterprise Fund</b>
<u>Current Assets</u>	
Cash and Cash Equivalents	\$ 822,840
Accounts Receivable, Net	155,422
Prepaid Costs	306,088
Inventory	11,550
Total Current Assets	<u>1,295,900</u>
<u>Restricted Assets</u>	
Cash and Cash Equivalents	<u>589</u>
Total Restricted Assets	<u>589</u>
<u>Capital Assets</u>	
Land	397,429
Buildings and Improvements	16,054,108
Furniture and Equipment	462,269
Construction in Process	<u>337,919</u>
	17,251,725
(Less): Accumulated Depreciation	<u>(14,773,725)</u>
Net Capital Assets	<u>2,478,000</u>
Total Assets	<u>3,774,489</u>
Deferred Outflows of Resources	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 3,774,489</u>

See the accompanying notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF MORGAN CITY  
 STATEMENT OF NET POSITION  
 SEPTEMBER 30, 2021

**LIABILITIES, DEFERRED INFLOWS OF  
 RESOURCES AND NET POSITION**

	<b>Enterprise Fund</b>
<b><u>Current Liabilities</u></b>	
Accounts Payable	\$ 231,994
Accrued Wages and Payroll Taxes	662
Accrued Compensated Absences	6,846
Tenant Security Deposits	77,650
Unearned Revenue	5,963
Total Current Liabilities	<u>323,115</u>
<b><u>Long Term Liabilities</u></b>	
Accrued Compensated Absences	15,651
Contingent Liability	40,000
Total Long Term Liabilities	<u>55,651</u>
Total Liabilities	<u>378,766</u>
Deferred Inflows of Resources	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>378,766</u>
<b><u>Net Position</u></b>	
Net Investment in Capital Assets	2,478,000
Restricted Net Position	589
Unrestricted Net Position	917,134
Total Net Position	<u>3,395,723</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 3,774,489</u>

See the accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE CITY OF MORGAN CITY  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<b>Enterprise Fund</b>
<u>Operating Revenues</u>	
Dwelling Rent	\$ 1,001,034
Operating Grants	1,376,051
Other Revenue	25,295
Total Operating Revenues	<u>2,402,380</u>
<u>Operating Expenses</u>	
Administrative	298,382
Utilities	484,412
Maintenance and Operations	504,745
General Expense	528,681
Housing Assistance Payments	295,184
Depreciation	336,915
Total Operating Expenses	<u>2,448,319</u>
Operating Income (Loss)	<u>(45,939)</u>
<u>Non-Operating Revenues (Expenses)</u>	
Interest Income	887
Loss on the Disposition of Capital Assets	<u>(367)</u>
Total Non-Operating Revenues (Expenses)	<u>520</u>
Increase (decrease) before Capital Contributions	<u>(45,419)</u>
Capital Contributions	<u>337,919</u>
Increase (Decrease) in Net Position	292,500
Net Position, Beginning	3,179,916
Prior Period Adjustment	<u>(76,693)</u>
Net Position, Ending	<u>\$ 3,395,723</u>

See the accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE CITY OF MORGAN CITY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<b>Enterprise Fund</b>
<b><u>Cash flows from operating activities:</u></b>	
Cash Received from Dwelling Rent	\$ 991,355
Cash Received from Operating Grants	1,364,505
Cash Received from Other Sources	31,518
Cash Payments for Salaries and Benefits	(301,110)
Cash Payments to Vendors and Landlords	(1,784,505)
Net cash provided (used) by operating activities	<u>301,763</u>
<b><u>Cash flows from capital and related financing activities:</u></b>	
Capital Grants Received	306,496
Capital Outlay	(342,975)
Net cash provided (used) by capital and related financing activities	<u>(36,479)</u>
<b><u>Cash flows from investing activities:</u></b>	
Interest Earned from Cash and Cash Equivalents	887
Net cash provided (used) by investing activities	<u>887</u>
<b>Net increase in cash and cash equivalents</b>	<b>266,171</b>
Total cash and restricted cash, beginning of year	<u>557,258</u>
<b>Total cash and restricted cash, end of year</b>	<b><u>\$ 823,429</u></b>
<b><u>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</u></b>	
Operating Income (Loss)	\$ (45,939)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	336,915
Bad Debt Expense (Tenants)	5,588
Change in Accounts Receivable (Tenants)	(4,800)
Change in Accounts Receivable (Grants)	(11,546)
Change in Accounts Receivable (Other)	273
Change in Prepaid Costs and Inventory	(33,372)
Change in Accounts Payable - Operating	49,920
Change in Accrued Personnel Expenses	3,653
Change Unearned Revenue (Tenants)	(4,879)
Change in Security Deposits Held	5,950
Net cash provided (used) by operating activities	<u>\$ 301,763</u>

See the accompanying notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF  
MORGAN CITY, LOUISIANA

NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Housing Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority is a Special Purpose Government engaged only in business-type activities and therefore, presents only the financial statements required for the enterprise fund, in accordance with GASB Statement 34 paragraph 138 and GASB Statement 63.

The Authority has multiple programs which are accounted for in one enterprise fund, which is presented as the "Enterprise Fund" in the basic financial statements as follows:

Enterprise Fund – In accordance with the Enterprise Fund Method, activity is recorded using the accrual basis of accounting and the measurement focus is on the flow of economic resources. Under the accrual basis of accounting revenues are recorded when earned and expenses are recorded when are incurred. This required the Housing Authority to account for operations in a manner similar to private business or where the Board has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability.

Governmental Accounting Standards – The Housing Authority has applied all applicable Governmental Accounting Standards Board pronouncements as well as applicable pronouncements issued by the Financial Accounting Standards Board.

Cash and Cash Equivalents

The Housing Authority considers cash in checking accounts to be cash equivalents. Cash on hand is not included in calculation of collateral required.

Accounts Receivable

Accounts receivable are reported at amounts management expects to collect and consisted of gross tenant receivables of \$2,856, reported net of an allowance for doubtful accounts of \$2,108, at a net amount of \$748. Other receivables consisted of grant proceeds receivable from HUD totaling \$154,674.

Prepaid Items and Inventory

Prepaid items and inventory consist of payments made to vendors for services and materials that will benefit future periods.

## NOTES TO FINANCIAL STATEMENTS - CONTINUED

### NOTE A - SIGNIFICANT ACCOUNTING POLICIES- CONTINUED

#### Property and Equipment

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The costs of maintenance and repairs are expensed, while significant renewals and betterments are capitalized. Small dollar value minor equipment items are expensed. Depreciation on assets has been expensed in the statement of income and expenses. Estimated useful lives are as follows:

Buildings and Improvements	10 - 20 years
Furniture and equipment	3 - 5 years

Authority management has assessed the carrying values of capital asset balances as of September 30, 2021, and as of May 6, 2022. No significant capital asset value impairments exist as of the noted dates.

#### PILOT Agreement

The Authority has entered into a Payment-in-Lieu-of-Taxes (PILOT) Agreement with the City of Morgan City whereby the Authority agreed to pay a negotiated sum in lieu of local real property taxes. During fiscal year 2021 the Authority incurred \$42,637 of PILOT expense and owed the City cumulative PILOT payments of \$80,636 as of September 30, 2021, which is reported in Accounts Payable on the Statement of Net Position.

#### Unearned Revenue

The Authority recognizes revenues as earned. Funds received before the Authority is eligible to apply them are recorded as a liability under unearned revenue. As of September 30, 2021, the Authority's unearned revenue balance consisted of grant proceeds of \$1,677 and tenant rent prepayments of \$4,286.

#### Deferred Outflows and Inflows of Resources

A deferred outflow of resources is a consumption of assets by the Authority that is applicable to a future reporting period. Conversely, a deferred inflow of resources is an acquisition of assets by the Authority that is applicable to a future reporting period. As of September 30, 2021, the Authority did not have any deferred outflows or inflows of resources.

#### Revenue Accounting Policies

Dwelling rent income, HUD grants recognized to fund operations and other miscellaneous income are reported as operating income. HUD grants recognized to fund capital assets, interest income and all other revenue is reported as non-operating revenue.

#### Indirect Costs Recovery

Direct costs are charged to the Authority's applicable programs. The Authority charges indirect costs to its Central Office Cost Center and charges the programs management fees based on fee rates provided by the Department of Housing and Urban Development.

## NOTES TO FINANCIAL STATEMENTS - CONTINUED

### NOTE B - REPORTING ENTITY DEFINITION

The Housing Authority is a chartered public corporation under the laws of the State of Louisiana with a Board of Commissioners appointed by the City of Morgan City. However, the Housing Authority has complete legislative and administrative authority and it recruits and employs personnel. The Authority adopts a budget that is approved by the Board of Commissioners. Subsidies for operations are received primarily from HUD. The Authority has substantial legal authority to control its affairs without local government approval; therefore, all operations of the Authority are a separate reporting entity as reflected in this report. The Authority is responsible for its debts and is entitled to surpluses. No separate agency receives a financial benefit nor imposes a financial burden on the Authority.

### NOTE C - CASH DEPOSITS

*Custodial Credit Risk* - The Authority's policy is to limit credit risk by adherence to the list of HUD-permitted investments, which are backed by the full faith and credit of or a guarantee of principal and interest by the U.S. Government.

*Interest Rate Risk* - The Authority's formal investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from interest rate volatility.

The U.S. Department of HUD requires housing authorities to invest excess funds in obligations of the U.S., certificates of deposit or any other federally insured investments.

The Housing Authority's cash and cash equivalents consisted of funds held in interest-bearing checking accounts with reconciled balances totaling \$823,429, which includes \$589 of cash restricted for housing assistance payments. Deposits balances held with financial institutions totaled \$872,297 and were secured as follows:

	<b>Bank Deposits</b>
Insured by FDIC	\$ 250,000
Collateralized with specific securities in the Authority's name which are held by a third-party financial institution	<u>622,297</u>
	<u><b>\$ 872,297</b></u>

Authority had no realized gains or losses on the sale of investments. The calculation of realized gains or losses is independent of a calculation of the net change in the fair value of investments.

### NOTE D - CONTRACTUAL COMMITMENTS

The Authority's outstanding contractual commitments, as of September 30, 2021, consisted of two modernization and improvement contracts totaling \$166,561.



## NOTES TO FINANCIAL STATEMENTS - CONTINUED

### NOTE E – CONCENTRATION OF RISK

The Housing Authority receives most of its funding from HUD. These funds and grants are subject to modification by HUD depending on the availability of funding.

### NOTE F – SIGNIFICANT ESTIMATES

These financial statements are prepared in accordance with generally accepted accounting principles. The financial statements include some amounts that are based on management's best estimates and judgments. The most significant estimates relate to depreciation and useful lives and earned sick leave to be utilized. These estimates may be adjusted as more current information becomes available, and any adjustment could be significant.

### NOTE G – RISK MANAGEMENT

The Housing Authority is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Housing Authority carries commercial insurance for all risks of loss, including workman's compensation and employee health and accident insurance. The Housing Authority has not had any significant reductions in insurance coverage, or any claims not reimbursed.

### NOTE H – MANAGEMENT AGREEMENT

The Authority has entered into a Management Agreement with the Berwick Housing Authority (BHA). Employees of BHA manage the operations of the Housing Authority of the City of Morgan City in exchange for management fees. The Authority incurred management fees of \$105,366 for fiscal year 2021 and owed the BHA \$11,814 of fees as of fiscal year-end, which is reported in Accounts Payable on the Statement of Net Position.

### NOTE I – DEFINED CONTRIBUTION RETIREMENT PLANS

The Authority provides retirement benefits for all of its eligible full-time employees through a defined contribution plan, known as the Housing Agency Retirement Trust Plan, administered by Mercer. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Authority contributes 7% of the eligible employees' base salaries, and employees are required to contribute 5% to the plan. Contributions and allocated investment earnings are fully vested after 5 years of continuous service. During 2021, the Authority made the required contributions in the amount of \$8,324, and there were no significant unpaid pension liabilities outstanding as of September 30, 2021.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE J – ACCRUED COMPENSATED ABSENCES

Housing Authority employees are granted vacation and sick leave in varying amounts depending on tenure with the Authority. In the event of termination, an employee is reimbursed for accumulated vacation leave up to a maximum of 300 hours. Vested or accumulated vacation leave is recorded as an expense and liability as the benefits accrue to employees.

Because management cannot reasonably estimate the amount of earned sick leave which will be utilized by employees, the Authority has not accrued all of its earned but unused sick leave liability in its Statement of Net Position. However, management does not anticipate that the amount of unaccrued earned sick leave as of fiscal year-end, which will be utilized in subsequent fiscal years will be significant to its financial statements.

NOTE K – COMMITMENTS AND CONTINGENCIES

The Authority is a defendant in a lawsuit initiated by a former employee for lost or withheld wages. The suit was initiated prior to 2015. In December of 2019, the Authority offered a settlement in the amount of \$40,000. The settlement has not been accepted by the plaintiff as of the date of this Report. Authority management has assessed the likelihood of an unfavorable outcome as probable and has accrued a contingent liability in the amount of \$40,000, which represents management's estimate of the probable loss.

Additionally, amounts received or receivable from HUD are subject to audit and adjustment by grantor agencies. If expenses are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the Authority. In the opinion of management, any such adjustments would not be significant.

NOTE L – LONG TERM LIABILITY ACTIVITY

A summary of long-term liability activity and balances as of September 30, 2021, is as follows:

	<u>October 1,</u> <u>2020 Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>September 30,</u> <u>2021 Balance</u>	<u>Due Within</u> <u>One Year</u>
Compensated Absences	\$ 19,506	\$ 9,127	\$ 6,136	\$ 22,497	\$ 6,846
Contingent Liability	40,000	-	-	40,000	-
Less: Current portion	(5,735)			(6,846)	
<b>Long Term Liabilities</b>	<b>\$ 53,771</b>	<b>\$ 9,127</b>	<b>\$ 6,136</b>	<b>\$ 55,651</b>	<b>\$ 6,846</b>

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE M – CAPITAL ASSETS

A summary of capital asset balances as of, and activity for the fiscal year ended September 30, 2021, is as follows:

	<b>October 1, 2020</b>		<b>Transfers and</b>	<b>September 30, 2021</b>
	<b><u>Balance</u></b>	<b><u>Additions</u></b>	<b><u>Deletions</u></b>	<b><u>Balance</u></b>
Land	\$ 397,429	\$ -	\$ -	\$ 397,429
Construction in Process	-	337,919	-	337,919
<b>Total Assets not being depreciated</b>	<b>397,429</b>	<b>337,919</b>	<b>-</b>	<b>735,348</b>
Buildings and Improvements	16,054,108	-	-	16,054,108
Furniture and Equipment	438,364	36,479	(12,574)	462,269
<b>Total Capital Assets</b>	<b>16,889,901</b>	<b>374,398</b>	<b>(12,574)</b>	<b>17,251,725</b>
Less Accumulated Depreciation				
Buildings and Improvements	(14,037,038)	(327,008)	-	(14,364,046)
Furniture and Equipment	(411,979)	(9,907)	12,207	(409,679)
<b>Net Book Value</b>	<b>\$ 2,440,884</b>	<b>\$ 37,483</b>	<b>\$ (367)</b>	<b>\$ 2,478,000</b>

## NOTES TO FINANCIAL STATEMENTS – CONTINUED

### NOTE N – PRIOR PERIOD ADJUSTMENT

Management has determined that the accounts payable balance reported in its September 30, 2020 financial statements was under-stated by \$36,693. The under-statement was a result of various operating expenses incurred during fiscal year 2020 but not accrued into fiscal year 2020.

Additionally, management has determined that non-current liabilities reported in its September 30, 2020 financial statements were under-stated by \$40,000. The under-statement was a result of an assessment of the likelihood of an unfavorable outcome of a pending lawsuit as probable, and a settlement offer made to the plaintiff during fiscal year 2020. The contingent liability was not accrued as of September 30, 2020.

The Authority has reduced its applicable beginning net position balance by \$76,693, from \$3,179,916 to \$3,103,223 as follows:

<b><u>Beginning Balance Restatement:</u></b>	
Accounts Payable - (Increase)/Decrease	\$ (36,693)
Contingent Liability - (Increase)/Decrease	<u>(40,000)</u>
<b>Reduction to Beginning Net Position</b>	<b><u><u>\$ (76,693)</u></u></b>

### NOTE O – SUBSEQUENT EVENTS

In preparing the financial statements, management evaluated subsequent events through May 6, 2022, the date the financial statements were available to be issued.

HOUSING AUTHORITY OF THE CITY OF  
MORGAN CITY, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2021

**EXPENDITURES**

Public Housing Program	
Total Assistance Listing No. 14.850a	\$ 945,765
Public Housing CARES Act Funding	
Total Assistance Listing No. 14.PHC	16,827
Section 8 Housing Choice Voucher Program	
Total Assistance Listing No. 14.871**	324,593
Public Housing Capital Fund Program	
Total Assistance Listing No. 14.872	426,785
TOTAL HUD EXPENDITURES	1,713,970
<b>TOTAL FEDERAL EXPENDITURES</b>	<b>\$ 1,713,970</b>

\*\* - Housing Choice Voucher Cluster

**NOTE 1 – BASIS OF PRESENTATION**

The above Schedule of Expenditures of Federal Awards includes the federal award activity of the Authority under programs of the federal government for the year ended September 30, 2021. The information on this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the Schedule presents only a selected portion of operations of the Authority, it is not intended to and does not present the financial net position, changes in net position, or cash flows of the Authority.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

**NOTE 3 – INDIRECT COST RATE**

The Authority has elected not to use the 10% *De Minimus Indirect Cost Rate* allowed under the Uniform Guidance.

Housing Authority of the City of Morgan City (LA036)  
MORGAN CITY, LA

**Entity Wide Balance Sheet Summary**

Fiscal Year

End: 09/30/2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.871 Housing Choice Vouchers	ELIM	Total Enterprise Fund
111 Cash - Unrestricted	\$ 717,032	\$ -	\$ 28,158	\$ -	\$ 745,190
112 Cash - Restricted - Modernization and Development	-	-	-	-	-
113 Cash - Other Restricted	-	-	589	-	589
114 Cash - Tenant Security Deposits	77,650	-	-	-	77,650
115 Cash - Restricted for Payment of Current Liabilities	-	-	-	-	-
<b>100 Total Cash</b>	<b>\$ 794,682</b>	<b>\$ -</b>	<b>\$ 28,747</b>	<b>\$ -</b>	<b>\$ 823,429</b>
121 Accounts Receivable - PHA Projects	-	-	-	-	-
122 Accounts Receivable - HUD Other Projects	154,674	-	-	-	154,674
124 Accounts Receivable - Other Government	-	-	-	-	-
125 Accounts Receivable - Miscellaneous	427,337	-	-	-	427,337
126 Accounts Receivable - Tenants	2,856	-	-	-	2,856
126.1 Allowance for Doubtful Accounts -Tenants	(2,108)	-	-	-	(2,108)
126.2 Allowance for Doubtful Accounts - Other	(427,337)	-	-	-	(427,337)
127 Notes, Loans, & Mortgages Receivable - Current	-	-	-	-	-
128 Fraud Recovery	-	-	-	-	-
128.1 Allowance for Doubtful Accounts - Fraud	-	-	-	-	-
129 Accrued Interest Receivable	-	-	-	-	-
<b>120 Total Receivables, Net of Allowances for Doubtful Accounts</b>	<b>\$ 155,422</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 155,422</b>
131 Investments - Unrestricted	-	-	-	-	-
132 Investments - Restricted	-	-	-	-	-
135 Investments - Restricted for Payment of Current Liability	-	-	-	-	-
142 Prepaid Expenses and Other Assets	306,088	-	-	-	306,088
143 Inventories	12,158	-	-	-	12,158
143.1 Allowance for Obsolete Inventories	(608)	-	-	-	(608)
144 Inter Program Due From	-	-	-	-	-
145 Assets Held for Sale	-	-	-	-	-
<b>150 Total Current Assets</b>	<b>\$ 1,267,742</b>	<b>\$ -</b>	<b>\$ 28,747</b>	<b>\$ -</b>	<b>\$ 1,296,489</b>

Housing Authority of the City of Morgan City (LA036)

MORGAN CITY, LA

**Entity Wide Balance Sheet Summary**

Fiscal Year

End: 09/30/2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.871 Housing Choice Vouchers	ELIM	Total Enterprise Fund
161 Land	397,429	-	-	-	397,429
162 Buildings	14,859,119	-	-	-	14,859,119
163 Furniture, Equipment & Machinery - Dwellings	250,182	-	-	-	250,182
164 Furniture, Equipment & Machinery - Administration	193,535	-	18,552	-	212,087
165 Leasehold Improvements	1,194,989	-	-	-	1,194,989
166 Accumulated Depreciation	(14,755,173)	-	(18,552)	-	(14,773,725)
167 Construction in Progress	337,919	-	-	-	337,919
168 Infrastructure	-	-	-	-	-
<b>160 Total Capital Assets, Net of Accumulated Depreciation</b>	<b>\$ 2,478,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,478,000</b>
171 Notes, Loans and Mortgages Receivable - Non-Current	-	-	-	-	-
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	-	-	-	-	-
173 Grants Receivable - Non Current	-	-	-	-	-
174 Other Assets	-	-	-	-	-
176 Investments in Joint Ventures	-	-	-	-	-
<b>180 Total Non-Current Assets</b>	<b>\$ 2,478,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,478,000</b>
<b>200 Deferred Outflow of Resources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>290 Total Assets and Deferred Outflow of Resources</b>	<b>\$ 3,745,742</b>	<b>\$ -</b>	<b>\$ 28,747</b>	<b>\$ -</b>	<b>\$ 3,774,489</b>
311 Bank Overdraft	-	-	-	-	-
312 Accounts Payable <= 90 Days	73,442	-	1,180	-	74,622
313 Accounts Payable >90 Days Past Due	-	-	-	-	-
321 Accrued Wage/Payroll Taxes Payable	662	-	-	-	662
322 Accrued Compensated Absences - Current Portion	6,155	-	691	-	6,846
324 Accrued Contingency Liability	-	-	-	-	-
325 Accrued Interest Payable	-	-	-	-	-
331 Accounts Payable - HUD PHA Programs	-	-	-	-	-
332 Account Payable - PHA Projects	-	-	-	-	-

Housing Authority of the City of Morgan City (LA036)  
MORGAN CITY, LA

**Entity Wide Balance Sheet Summary**

Fiscal Year

End: 09/30/2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.871 Housing Choice Vouchers	ELIM	Total Enterprise Fund
333 Accounts Payable - Other Government	80,636	-	-	-	80,636
341 Tenant Security Deposits	77,650	-	-	-	77,650
342 Unearned Revenue	4,286	-	1,677	-	5,963
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	-	-	-	-	-
344 Current Portion of Long-term Debt - Operating Borrowings	-	-	-	-	-
345 Other Current Liabilities	-	-	-	-	-
346 Accrued Liabilities - Other	76,736	-	-	-	76,736
347 Inter Program - Due To	-	-	-	-	-
348 Loan Liability - Current	-	-	-	-	-
<b>310 Total Current Liabilities</b>	<b>\$ 319,567</b>	<b>\$ -</b>	<b>\$ 3,548</b>	<b>\$ -</b>	<b>\$ 323,115</b>
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	-	-	-
352 Long-term Debt, Net of Current - Operating Borrowings	-	-	-	-	-
353 Non-current Liabilities - Other	40,000	-	-	-	40,000
354 Accrued Compensated Absences - Non Current	14,130	-	1,521	-	15,651
355 Loan Liability - Non Current	-	-	-	-	-
357 Accrued Pension and OPEB Liabilities	-	-	-	-	-
<b>350 Total Non-Current Liabilities</b>	<b>\$ 54,130</b>	<b>\$ -</b>	<b>\$ 1,521</b>	<b>\$ -</b>	<b>\$ 55,651</b>
<b>300 Total Liabilities</b>	<b>\$ 373,697</b>	<b>\$ -</b>	<b>\$ 5,069</b>	<b>\$ -</b>	<b>\$ 378,766</b>
<b>400 Deferred Inflow of Resources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
508.4 Net Investment in Capital Assets	2,478,000	-	-	-	2,478,000
511.4 Restricted Net Position	-	-	589	-	589
512.4 Unrestricted Net Position	894,045	-	23,089	-	917,134
<b>513 Total Equity - Net Assets / Position</b>	<b>\$ 3,372,045</b>	<b>\$ -</b>	<b>\$ 23,678</b>	<b>\$ -</b>	<b>\$ 3,395,723</b>
<b>600 Total Liabilities, Deferred Inflows of Resources and Equity - Net</b>	<b>\$ 3,745,742</b>	<b>\$ -</b>	<b>\$ 28,747</b>	<b>\$ -</b>	<b>\$ 3,774,489</b>



Housing Authority of the City of Morgan City (LA036)  
MORGAN CITY, LA

**Entity Wide Revenue and Expense Summary**

Fiscal Year

End: 09/30/2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.871 Housing Choice Vouchers	ELIM	Total Enterprise Fund
70300 Net Tenant Rental Revenue	\$ 766,036	\$ -	\$ -	\$ -	\$ 766,036
70400 Tenant Revenue - Other	234,998	-	-	-	234,998
<b>70500 Total Tenant Revenue</b>	<b>\$ 1,001,034</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,001,034</b>
70600 HUD PHA Operating Grants	1,034,631	16,827	324,593	-	1,376,051
70610 Capital Grants	337,919	-	-	-	337,919
70710 Management Fee	-	-	-	-	-
70720 Asset Management Fee	-	-	-	-	-
70730 Book Keeping Fee	-	-	-	-	-
70740 Front Line Service Fee	-	-	-	-	-
70750 Other Fees	-	-	-	-	-
<b>70700 Total Fee Revenue</b>	<b>\$ 1,372,550</b>	<b>\$ 16,827</b>	<b>\$ 324,593</b>	<b>\$ -</b>	<b>\$ 1,713,970</b>
70800 Other Government Grants	-	-	-	-	-
71100 Investment Income - Unrestricted	833	-	54	-	887
71200 Mortgage Interest Income	-	-	-	-	-
71300 Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-
71310 Cost of Sale of Assets	-	-	-	-	-
71400 Fraud Recovery	-	-	-	-	-
71500 Other Revenue	25,295	-	-	-	25,295
71600 Gain or Loss on Sale of Capital Assets	(367)	-	-	-	(367)
72000 Investment Income - Restricted	-	-	-	-	-
<b>70000 Total Revenue</b>	<b>\$ 2,399,345</b>	<b>\$ 16,827</b>	<b>\$ 324,647</b>	<b>\$ -</b>	<b>\$ 2,740,819</b>
91100 Administrative Salaries	40,691	-	16,041	-	56,732
91200 Auditing Fees	14,572	-	1,900	-	16,472
91300 Management Fee	101,151	-	4,215	-	105,366
91310 Book-keeping Fee	-	-	-	-	-
91400 Advertising and Marketing	1,166	400	-	-	1,566
91500 Employee Benefit contributions - Administrative	25,996	-	1,266	-	27,262

Housing Authority of the City of Morgan City (LA036)  
MORGAN CITY, LA

**Entity Wide Revenue and Expense Summary**

Fiscal Year

End: 09/30/2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.871 Housing Choice Vouchers	ELIM	Total Enterprise Fund
91600 Office Expenses	38,996	9,504	10,811	-	59,311
91700 Legal Expense	5,870	-	-	-	5,870
91800 Travel	1,882	-	-	-	1,882
91810 Allocated Overhead	-	-	-	-	-
91900 Other	23,728	-	193	-	23,921
<b>91000 Total Operating - Administrative</b>	<b>\$ 254,052</b>	<b>\$ 9,904</b>	<b>\$ 34,426</b>	<b>\$ -</b>	<b>\$ 298,382</b>
<b>92000 Asset Management Fee</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
92100 Tenant Services - Salaries	-	-	-	-	-
92200 Relocation Costs	-	-	-	-	-
92300 Employee Benefit Contributions - Tenant Services	-	-	-	-	-
92400 Tenant Services - Other	-	-	-	-	-
<b>92500 Total Tenant Services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
93100 Water	48,112	-	-	-	48,112
93200 Electricity	317,506	-	-	-	317,506
93300 Gas	66,213	-	-	-	66,213
93400 Fuel	-	-	-	-	-
93500 Labor	4,841	-	-	-	4,841
93600 Sewer	47,740	-	-	-	47,740
93700 Employee Benefit Contributions - Utilities	-	-	-	-	-
93800 Other Utilities Expense	-	-	-	-	-
<b>93000 Total Utilities</b>	<b>\$ 484,412</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 484,412</b>
94100 Ordinary Maintenance and Operations - Labor	157,490	-	-	-	157,490
94200 Ordinary Maintenance and Operations - Materials and Other	118,859	-	-	-	118,859
94300 Ordinary Maintenance and Operations Contracts	167,321	6,923	-	-	174,244
94500 Employee Benefit Contributions - Ordinary Maintenance	54,152	-	-	-	54,152
<b>94000 Total Maintenance</b>	<b>\$ 497,822</b>	<b>\$ 6,923</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 504,745</b>

Housing Authority of the City of Morgan City (LA036)  
MORGAN CITY, LA

**Entity Wide Revenue and Expense Summary**

Fiscal Year

End: 09/30/2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.871 Housing Choice Vouchers	ELIM	Total Enterprise Fund
95100 Protective Services - Labor	-	-	-	-	-
95200 Protective Services - Other Contract Costs	-	-	-	-	-
95300 Protective Services - Other	-	-	-	-	-
95500 Employee Benefit Contributions - Protective Services	-	-	-	-	-
<b>95000 Total Protective Services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
96110 Property Insurance	254,238	-	-	-	254,238
96120 Liability Insurance	31,587	-	-	-	31,587
96130 Workmen's Compensation	8,367	-	-	-	8,367
96140 All Other Insurance	177,014	-	-	-	177,014
<b>96100 Total insurance Premiums</b>	<b>\$ 471,206</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 471,206</b>
96200 Other General Expenses	-	-	123	-	123
96210 Compensated Absences	8,096	-	1,031	-	9,127
96300 Payments in Lieu of Taxes	42,637	-	-	-	42,637
96400 Bad debt - Tenant Rents	5,588	-	-	-	5,588
96500 Bad debt - Mortgages	-	-	-	-	-
96600 Bad debt - Other	-	-	-	-	-
96800 Severance Expense	-	-	-	-	-
<b>96000 Total Other General Expenses</b>	<b>\$ 56,321</b>	<b>\$ -</b>	<b>\$ 1,154</b>	<b>\$ -</b>	<b>\$ 57,475</b>
96710 Interest of Mortgage (or Bonds) Payable	-	-	-	-	-
96720 Interest on Notes Payable (Short and Long Term)	-	-	-	-	-
<b>96700 Total Interest Expense and Amortization Cost</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>96900 Total Operating Expenses</b>	<b>\$ 1,763,813</b>	<b>\$ 16,827</b>	<b>\$ 35,580</b>	<b>\$ -</b>	<b>\$ 1,816,220</b>
<b>97000 Excess of Operating Revenue over Operating Expenses</b>	<b>\$ 635,532</b>	<b>\$ -</b>	<b>\$ 289,067</b>	<b>\$ -</b>	<b>\$ 924,599</b>
97100 Extraordinary Maintenance	-	-	-	-	-

Housing Authority of the City of Morgan City (LA036)  
MORGAN CITY, LA

**Entity Wide Revenue and Expense Summary**

Fiscal Year

End: 09/30/2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.871 Housing Choice Vouchers	ELIM	Total Enterprise Fund
97200 Casualty Losses - Non-capitalized	-	-	-	-	-
97300 Housing Assistance Payments	-	-	295,184	-	295,184
97350 HAP Portability-In	-	-	-	-	-
97400 Depreciation Expense	336,915	-	-	-	336,915
97500 Fraud Losses	-	-	-	-	-
<b>90000 Total Expenses</b>	<b>\$ 2,100,728</b>	<b>\$ 16,827</b>	<b>\$ 330,764</b>	<b>\$ -</b>	<b>\$ 2,448,319</b>
10010 Operating Transfer In	88,866	-	-	(88,866)	-
10020 Operating transfer Out	(88,866)	-	-	88,866	-
<b>10100 Total Other financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses</b>	<b>\$ 298,617</b>	<b>\$ -</b>	<b>\$ (6,117)</b>	<b>\$ -</b>	<b>\$ 292,500</b>
11020 Required Annual Debt Principal Payments	\$ -	\$ -	\$ -	\$ -	\$ -
<b>11030 Beginning Equity</b>	<b>\$ 3,150,121</b>	<b>\$ -</b>	<b>\$ 29,795</b>	<b>\$ -</b>	<b>\$ 3,179,916</b>
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	(76,693)	-	-	-	(76,693)
11170 Administrative Fee Equity	\$ -	\$ -	\$ 23,089	-	\$ 23,089
11180 Housing Assistance Payments Equity	\$ -	\$ -	\$ 589	-	\$ 589
11190 Unit Months Available	3,475	-	602	-	4,077
11210 Number of Unit Months Leased	3,332	-	557	-	3,889
11270 Excess Cash	\$ 514,585	\$ -	\$ -	-	\$ 514,585
11610 Land Purchases	\$ -	\$ -	\$ -	-	\$ -
11620 Building Purchases	314,310	-	-	-	314,310
11640 Furniture & Equipment - Administrative Purchases	-	-	-	-	-
11650 Leasehold Improvements Purchases	23,609	-	-	-	23,609
13901 Replacement Housing Factor Funds	-	-	-	-	-

HOUSING AUTHORITY OF THE CITY OF  
MORGAN CITY, LOUISIANA

SCHEDULE OF FINDINGS  
AND QUESTIONED COSTS

SEPTEMBER 30, 2021

**Section I: Summary of Auditor's Results:**

**FINANCIAL STATEMENTS**

Type of auditor's report issued: Unmodified

Internal Control over financial reporting:

Are material weaknesses identified?  Yes  No

Are significant deficiencies that are not considered to be material weaknesses identified?  Yes  None Reported

Is noncompliance that could have a material effect on the financial statements identified?  Yes  No

**FEDERAL AWARDS**

Internal control over major programs:

Are material weaknesses identified?  Yes  No

Are significant deficiencies that are not considered to be material weaknesses identified?  Yes  None Reported

Type of report issued on compliance with requirements applicable to each major program: Unmodified

Are there any audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a) of the Uniform Guidance?  Yes  No

**Identification of major programs:**

<u>Name of Federal Program</u>	<u>Assistance Listing No.</u>
Capital Fund Program	14.872

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Is the auditee identified as a low-risk auditee?  Yes  No

HOUSING AUTHORITY OF THE CITY OF  
MORGAN CITY, LOUISIANA

SCHEDULE OF FINDINGS  
AND QUESTIONED COSTS

SEPTEMBER 30, 2021

**Section II: Financial Statement Findings:**

**Summary Schedule of Prior Year Findings:**

None

**Current Year Findings and Questioned Costs:**

None

**Section III: Federal Award Findings and Questioned Costs:**

**Summary Schedule of Prior Year Findings:**

None

**Current Year Findings and Questioned Costs:**

None

HOUSING AUTHORITY OF THE CITY OF  
MORGAN CITY, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO THE EXECUTIVE  
DIRECTOR

YEAR ENDED SEPTEMBER 30, 2021

**EXPENDITURE PURPOSE**

Salary	<u>\$ 0</u>
Benefits - Insurance	<u>0</u>
Benefits - Retirement	<u>0</u>
<b>Total Compensation, Benefits and Other Payments</b>	<b><u><u>\$ 0</u></u></b>

Agency Head: Clarence Robinson Jr., Executive Director (Acting)

**NOTE 1 – BASIS OF PRESENTATION**

The above Schedule of Compensation, Benefits and Other Payments to the Executive Director is presented on the accrual basis of accounting. The information on this schedule is presented in accordance with the requirements of the *Louisiana Revised Statute (R.S.) 24:513A.(3)*, as amended by *Act 706 of the 2014 Legislative Session*.

**NOTE 2 – MANAGEMENT AGREEMENT**

The Housing Authority of the City of Morgan City (HACMC) did not employ an Executive Director during the fiscal year ended September 30, 2021. The HACMC is managed by the Berwick Housing Authority (BHA) under a temporary management agreement. Clarence Robinson Jr. is the Executive Director of the BHA. There were no salaries, reimbursements, or other payments from HACMC to the Executive Director.